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PUBLIC SAFETY & SECURITY COMMITTEE

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The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 92% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

HB 5533 "An Act Concerning Workers' Compensation Coverage for Public Employees with Post-Traumatic Stress Disorder"

HB 5533 would, among other things, prospectively mandate full workers' compensation benefits for all state and municipal employees diagnosed with post-traumatic stress disorder (PTSD) as a result of "visually witnessing a traumatic event or visually witnessing the immediate aftermath of such traumatic event..." under certain circumstances. HB 5533 would also retrospectively mandate such benefits for employees that responded to the tragedy at Sandy Hook elementary school.

CCM respectfully <u>opposes HB 5533</u> as an unfunded state mandate that would impose a significant negative impact on municipal administrative and financial resources.

The dedication and service of our employees, particularly our first responders, is not at issue. What is at question is whether local property taxpayers – and their hometown budgets – should be mandated by the State to provide special mental stress benefits from "witnessing" a crime scene, or its "aftermath" – without any financial assistance from the State. Simply put, if the State deems HB 5533 essential – it should pay for it.

CCM urges this Committee to take no action on HB 5533 for the following reasons:

> Hometowns Cannot Afford To Pay These Benefits:

- HB 5533 would mandate full wage replacement benefits for municipal employees both on or off-duty up to six hours after a crime scene is "secured".
- As noted by OFA in similar proposals from years past, the costs of just one emotional stress case could be significant. The cost of an individual "mental-stress" case for either partial disability or a permanent total claim could range from tens of thousands to over \$1 million dollars for the duration of the claim, depending on the circumstances.
- The administrative and legal costs just to manage the claims filed for this new mandate let alone fully fund such benefits would impose a negative impact on local budgets.

HB 5533 would strain local administrative, forensic, medical, legal, and financial resources otherwise devoted to managing other workers' compensation claims submitted by employees with physical injuries.

> Exposure to Potential Fraud:

Diagnoses could be subjective and overlap with symptoms of depression, substance abuse, or other anxiety disorders. "Visually witnessing" could also be subject to interpretation and could mean simply viewing photographs or videos of a crime scene. These factors could force municipal officials to devote considerable time and resources to thwart mental disability fraud which has proven to not be uncommon.

> Available Resources:

- Towns and cities offer health insurance, disability leave, and Employee Assistance Programs (EAPs) to employees suffering from mental or emotional impairments. These existing benefits provide employees access to counseling, therapy, and other essential services to assist them and their families during difficult periods.
- Municipalities have also provided benefits above and beyond contractual obligations in response to the most horrific circumstances.
- The State of Connecticut has created a special fund to compensate those most affected by the Sandy Hook tragedy, beyond the offerings of private donations.
- First responders, police and fire, have mandated coverage for mental stress for certain instances, such as pertaining to the use of, or being subject to, deadly force or witnessing the death of another firefighter while on-duty.

> Slipper-Slope:

HB 5533 would create a "slippery-slope" toward more mandated benefits for a variety of potential other circumstances such as "threatening of death" or simply "serious injury"—which is an avenue of compensation our hometowns cannot afford to go down.

It is imperative that both the policy and cost implications of turning Connecticut's workers' compensation system upside down are very carefully weighed. Hometowns across the State have enacted painful budget cuts and are guarding against additional cuts. Deep cuts in services and massive layoffs have occurred in Connecticut's central cities — with the prospect of additional layoffs on the horizon. HB 5533 would exacerbate the fiscal crisis within municipalities.

As state lawmakers deliberate means of assisting individuals subjected to certain events, it is also important that options outside the insurance system are considered that would ensure the intent of HB 5533 is upheld, while not bankrupting town and city halls. Good intentions can have unintended consequences – as would be the case with HB 5533.

CCM urges the Committee to take no action on HB 5533.



If you have any questions, please contact Robert Labanara of CCM at rlabanara@ccm-ct.org.